

Benefit levels and provider fees increase October 2002

By Brian Zaidman, Research Analyst
Research and Statistics

The statewide average weekly wage (SAWW) effective Oct. 1, 2002, is \$702, a 3.24 percent increase over the current SAWW of \$680, which has been in effect since Oct. 1, 2001. [See the table on this page.] The levels for minimum and maximum weekly benefit payments are presented in the table on the following page. The statewide annual average wage will change to \$36,457 on Jan. 1, 2003.

The new SAWW is based on 2001 payroll and employment figures supplied by the Department of Economic Security and the calculation procedure in Minnesota Statutes §176.011, subd. 20. The increase in the SAWW is the basis for the M.S. §176.645 annual benefit increases.

Only injured workers meeting the eligibility requirements of M.S. §176.645 will receive adjusted benefits. Benefit increases for workers injured prior to Oct. 1, 1992, are limited to 6 percent. Benefit increases for workers injured between Oct. 1, 1992 and Sept. 30, 1995, are limited to 4 percent. For workers injured on or after Oct. 1, 1995, the initial annual adjustment is made on the fourth anniversary of the date of injury and is limited to 2 percent. [See *COMPACT*, February 1999, pages 10-11.]

The vocational rehabilitation annual adjustment of hourly fees is limited to the 2 percent maximum increase (Minnesota Rules 5220.1900 subp. 1b, 1c and 1e). On Oct. 1, 2002, the maximum qualified rehabilitation consultant (QRC) hourly fee will increase to \$80.52 and the maximum hourly rate for rehabilitation job development and placement services will increase to \$61.93. Notices of hourly fee changes must be filed with the DLI commissioner. QRCs and registered rehabilitation vendors can ensure their hourly rates are on file by completing forms R-21 or R-23. These forms are on pages 31 and 33 in this edition.

Pursuant to M.S. §176.136, subd. 1a, which provides for annual adjustments of the medical fee schedule conversion factor by no more than the change in the

statewide average weekly wage, the commissioner is increasing the conversion factor by 2.8 percent, which is the percent change in the producer price index for offices of physicians (PPI-P) developed by the U.S. Department of Labor, Bureau of Labor Statistics. This will increase the conversion factor to \$75.18 for services provided on or after Oct. 1, 2002, subject to approval by an administrative law judge.

Minnesota Rules, part 5219.0500, subp. 4, provides for adjustment of the maximum fees for independent medical examinations in the same manner as the adjustment of the conversion factor. Therefore, the independent medical examination fees are also increased by the PPI-P of 2.8 percent for services provided on or after Oct. 1, 2002, subject to approval by an administrative law judge. An official notice of the medical fee schedule conversion factor and independent medical examination fee increases approved by the administrative law judge will be published in the *State Register* in September.

**Statewide average weekly wage
Effective Oct. 1 of the indicated year**

Year	Statewide average weekly wage	Percentage change from previous year
1990	\$428	3.63%
1991	\$443	3.50%
1992	\$459	3.61%
1993	\$484	5.45%
1994	\$492	1.65%
1995	\$505	2.64%
1996	\$524	3.76%
1997	\$553	5.53%
1998	\$579	4.70%
1999	\$615	6.22%
2000	\$642	4.39%
2001	\$680	5.92%
2002	\$702	3.24%

Compensation rates as of Oct. 1, 2002

Statewide average weekly wage (SAWW) = \$702
 Percentage change in SAWW from previous year = 3.24%
 (Apply Minnesota Statutes §176.645 adjustment as necessary based on date of injury.)

Maximum under M.S. 176.101 and 176.111

<i>100% of SAWW</i>	
10-01-77	\$197.00
10-01-78	\$209.00
10-01-79	\$226.00
10-01-80	\$244.00
10-01-81	\$267.00
10-01-82	\$290.00
10-01-83	\$313.00
10-01-84	\$329.00
10-01-85	\$342.00
10-01-86	\$360.00
10-01-87	\$376.00
10-01-88	\$391.00
10-01-89	\$413.00
10-01-90	\$428.00
10-01-91	\$443.00
<i>105% of SAWW</i>	
10-01-92	\$481.95
10-01-93	\$508.20
10-01-94	\$516.60
<i>Set by Statute</i>	
10-01-95	\$615.00
10-01-00	\$750.00

Minimum under M.S. 176.101, subd. 1(2)

<i>50% of the SAWW or gross wage, whichever is less, but in no case less than 20% of the SAWW</i>	
<i>50%</i>	
10-01-77 ...	\$ 98.50 (gross wage - \$147.75) ... \$ 39.40
10-01-78 ..	\$104.50 (gross wage - \$156.75) ... \$ 41.80
10-01-79 ..	\$113.00 (gross wage - \$169.50) ... \$ 45.20
10-01-80 ..	\$122.00 (gross wage - \$183.00) ... \$ 48.80
10-01-81 ..	\$133.50 (gross wage - \$200.25) ... \$ 53.40
10-01-82 ..	\$145.00 (gross wage - \$217.50) ... \$ 58.00
10-01-83 ..	\$156.50 (gross wage - \$234.75) ... \$ 62.60
10-01-84 ..	\$164.50 (gross wage - \$246.75) ... \$ 65.80
10-01-85 ..	\$171.00 (gross wage - \$256.50) ... \$ 68.40
10-01-86 ..	\$180.00 (gross wage - \$270.00) ... \$ 72.00
10-01-87 ..	\$188.00 (gross wage - \$282.00) ... \$ 75.20
10-01-88 ..	\$195.50 (gross wage - \$293.25) ... \$ 78.20
10-01-89 ..	\$206.50 (gross wage - \$309.75) ... \$ 82.60
10-01-90 ..	\$214.00 (gross wage - \$321.00) ... \$ 85.60
10-01-91 ..	\$221.50 (gross wage - \$332.25) ... \$ 88.60
<i>20% of the SAWW or the employee's actual weekly wage, whichever is less</i>	
<i>20%</i>	
10-01-92	\$91.80
10-01-93	\$96.80
10-01-94	\$98.40
<i>Set by Statute, the listed amount or the employee's actual weekly wage, whichever is less</i>	
10-01-95	\$104.00
10-01-00	\$130.00

Supplementary Benefits under M.S. 176.132 (Minnesota Statutes 1994)

and Permanent Total Minimum under M.S. 176.101, subd. 4 (for injuries 10-1-95 and later)

01-01-80	\$146.90	(65% of 226)
10-01-80	\$158.60	(65% of 244)
10-01-81	\$173.55	(65% of 267)
10-01-82	\$188.50	(65% of 290)
10-01-83	\$203.45	(rounded to 204)
10-01-84	\$213.85	(rounded to 214)
10-01-85	\$222.30	(rounded to 223)
10-01-86	\$234.00	(round)
10-01-87	\$244.40	(rounded to 245)
10-01-88	\$254.15	(rounded to 255)
10-01-89	\$268.45	(rounded to 269)
10-01-90	\$278.20	(rounded to 279)
10-01-91	\$287.95	(rounded to 288)
10-01-92	\$298.35	(rounded to 299)
10-01-93	\$314.60	(rounded to 315)
10-01-94	\$319.80	(rounded to 320)
10-01-95	\$328.25	(rounded to 329)*
10-01-96	\$340.60	(rounded to 341)*
10-01-97	\$359.45	(rounded to 360)*
10-01-98	\$376.35	(rounded to 377)*
10-01-99	\$399.75	(rounded to 400)*
10-01-00	\$417.30	(rounded to 418)*
10-01-01	\$442.00	(round)
10-01-02	\$456.30	(rounded to 457)*

*Rounding applies to supplementary benefits.